

Thomas L. Kapioltas
The Kapioltas Law Firm, PLLC
2150 S. Central Expressway, Ste. 200
McKinney, Texas 75070
(214) 764-9232 – Phone
(888) 223-8151 – Fax

ATTORNEY FOR GVH, INC. and
THE FERBY CORPORATION

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

| | | |
|--------------------|---|-------------------|
| IN RE: | § | |
| | § | |
| STEPS AMERICA, INC | § | CASE NO. 21-40065 |
| | § | |
| DEBTOR | § | |

**GVH, INC. AND THE FERBY CORPORATION'S OBJECTION TO DEBTOR'S MONTHLY
OPERATING REPORT FOR SMALL BUSINESS UNDER CHAPTER 11**

COMES NOW, GVH, Inc. ("GVH") and The Ferby Corporation ("Ferby"), and submit this *GVH, Inc. and The Ferby Corporation's Objection to Debtor's Monthly Operating Report for Small Business under Chapter 11* ("Objection") and would respectively show the Court as follows:

OBJECTION

1. Under penalty of perjury, Alan Weiss, as President of Debtor Steps America, Inc., submitted its February 1 – February 28th, 2021 Monthly Operating Report for Small Business Under Chapter 11 ("February Report"). (Doc. 60).

2. Under Section 1, Question 3, in response to the question "Have you paid all your bills on time?" Debtor checked the box for "Yes". In response to Article 3 "Attach a list of all debts (including taxes) which you have incurred since the date you filed bankruptcy but have not paid" Debtor responded the total payables were "\$0.00".

3. However, Debtor has not paid Rent for December 2020, January 2021, February 2021, and March 2021. *See* Exhibits 1-6.

4. Debtor admits he has not paid his February and March 2021 Rent. In its Motion for Relief from Automatic Stay and Waiver of Thirty Day Hearing Requirement ("Motion"), GVH and Ferby allege "Since

the filing of this Chapter 11 Bankruptcy, Debtor has failed to pay post-petition Rent for the months of February and March 2021 in the amount of **\$31,430.38** ((Rent \$14,286.54 + Late Fee \$1,428.65) * 2)." (Doc. 48, ¶13). In its Response to Motion to Lift Stay, "Debtor admits the allegations contained in paragraph 13 of the Motion." (Doc. 54, ¶13).

5. Under Section 365(d)(3) of the Code, a debtor has the duty, prior to the assumption or rejection of a lease of nonresidential real property, to make timely payment of the full rent due.

CONCLUSION

6. Alan Weiss, on behalf of Debtor Steps America, Inc.'s, swore under penalty of perjury that Debtor paid all of its February bills on time and did not incur any new debt that has not been paid. Debtor's representations are materially false as Debtor did not pay any portion of its February 2021 Rent and has not paid Rent since November 2020.

7. GVH, Inc. and The Ferby Corporation pray that the Court and Trustee take notice of Debtor's representations and grant GVH, Inc. and The Ferby Corporation such other relief to which they may be justly entitled.

March 25, 2021

Respectfully,

THE KAPIOLTAS LAW FIRM, P.L.L.C.

/s/ Tom Kapioltas
Thomas L. Kapioltas
Texas Bar No. 24032614
2150 S. Central Expressway, Ste. 200
McKinney, Texas 75070
T: 214-764-9232
F: 888-223-8151
Email: tom@kapioltas.com

CERTIFICATE OF SERVICE

I certify that on March 25, 2021, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Eastern District of Texas, Sherman Division.

/s/ Tom Kapioltas

Thomas L Kapioltas